

**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

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In re :
: Chapter 11
SEARS HOLDINGS CORPORATION, *et al.*, :
: Case No. 18-23538 (RDD)
: (Jointly Administered)
Debtors.¹ :
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DECLARATION OF MASON CARRICO

I, Mason Carrico, certify that I am eighteen (18) years of age or older, am of sound mind, and make this Declaration from personal knowledge of the following:

1. I am the Senior Director National Accounts for Haier US Appliance Solutions, Inc. d/b/a GE Appliances (“GEA”).
2. The First Assumption Notice was filed late on the Friday before a holiday weekend with an objection deadline set not only four business days later, but also on a Saturday. Thus,

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are as follows: Sears Holdings Corporation (0798); Kmart Holding Corporation (3116); Kmart Operations LLC (6546); Sears Operations LLC (4331); Sears, Roebuck and Co. (0680); ServiceLive Inc. (6774); A&E Factory Service, LLC (6695); A&E Home Delivery, LLC (0205); A&E Lawn & Garden, LLC (5028); A&E Signature Service, LLC (0204); FBA Holdings Inc. (6537); Innovel Solutions, Inc. (7180); Kmart Corporation (9500); MaxServ, Inc. (7626); Private Brands, Ltd. (4022); Sears Development Co. (6028); Sears Holdings Management Corporation (2148); Sears Home & Business Franchises, Inc. (6742); Sears Home Improvement Products, Inc. (8591); Sears Insurance Services, L.L.C. (7182); Sears Procurement Services, Inc. (2859); Sears Protection Company (1250); Sears Protection Company (PR) Inc. (4861); Sears Roebuck Acceptance Corp. (0535); Sears, Roebuck de Puerto Rico, Inc. (3626); SRC Sparrow 1 LLC (None); SYW Relay LLC (1870); Wally Labs LLC (None); Big Beaver of Florida Development, LLC (None); California Builder Appliances, Inc. (6327); Florida Builder Appliances, Inc. (9133); KBL Holding Inc. (1295); KLC, Inc. (0839); Kmart of Michigan, Inc. (1696); Kmart of Washington LLC (8898); Kmart Stores of Illinois LLC (8897); Kmart Stores of Texas LLC (8915); MyGofer LLC (5531); Sears Brands Business Unit Corporation (4658); Sears Holdings Publishing Company, LLC. (5554); Sears Protection Company (Florida), L.L.C. (4239); SHC Desert Springs, LLC (None); SOE, Inc. (9616); SRC Sparrow 2 LLC (None); StarWest, LLC (5379); STI Merchandising, Inc. (0188); Troy Coolidge No. 13, LLC (None); BlueLight.com, Inc. (7034); Sears Brands, L.L.C. (4664); Sears Buying Services, Inc. (6533); SRC O.P. LLC (None); Kmart.com LLC (9022); Sears Brands Management Corporation (5365); SRC Facilities LLC (None); and SRC Real Estate (TX), LLC (None). The location of the Debtors’ corporate headquarters is 3333 Beverly Road, Hoffman Estates, Illinois 60179.

GEA has not had adequate opportunity to evaluate the amounts due to it under the agreements identified in the Assumption Notices.

3. The Master Agreement,² Amendment 8, and Amendment 9 are all part of the Amended Master Supply Agreement, as Amendment 8 and Amendment 9 simply amended the terms of the Master Supply Agreement.

4. Given that Debtors did not provide the name of the agreement referenced between GEA and Debtor A&E Factory Service, LLC (and that there are duplicate entries for that agreement in the First Assumption Notice), the agreement referenced is unclear. But to the extent the Debtors are referencing the A&E Service Agreement and the A&E Service Amendment, they are both part of the Amended A&E Service Agreement. Although the counterparty for the Amended A&E Service Agreement is listed as General Electric Company, the Amended A&E Service Amendment was assigned to GEA.

5. The Amended Master Supply Agreement expired pursuant to its terms on December 31, 2018.

6. GEA exercised its rights to stop accepting orders and suspended shipments to Debtors on or about October 8, 2018.

7. As of the Petition Date, based on current calculations, GEA was owed at least \$2,767,729 under the Amended Master Supply Agreement.

8. The Sears Services Agreement has not yet terminated by its terms. However, GEA did cease providing services to Debtors under the Sears Services Agreement on or about October 8, 2018.

² Defined terms herein have the meaning attributed to them in the Objection to which it is attached.

9. As of the Petition Date, based on current calculations, GEA was owed at least \$73,430 under the Sears Services Agreement.

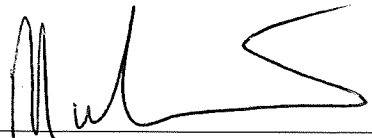
10. The Amended A&E Services Agreement has not yet terminated by its terms.

11. As of the Petition Date, based on current calculations, there does not appear to be a balance owed to GEA under the Amended A&E Services Agreement.

12. GEA is also owed other sums from Debtors unrelated to the Amended Master Supply Agreement, the Sears Services Agreement, or the Amended A&E Service Agreement.

[SIGNATURE PAGE FOLLOWS]

Declared under penalty of perjury under the laws of the United States of America on
January 25, 2019.


Mason Carrico